

**Functional Series 600  
Budget and Finance**

**INTERIM UPDATE 04-01**

**SUBJECT:** ADS 637 References: U.S. Personal Services Contractors 401(k) Defined Contribution Pension Plan Certification Documents

**REVISED MATERIAL:** The annual certification documents, (1) the Agreement for Cash or Deferred Election Under Section 401(k) and (2) Certification of Participant Contribution have been updated to reflect the Internal Revenue Service (IRS) changes for 2004. The maximum annual contribution increased to \$13,000 while the catch-up contribution for those who are 50 or older increased to an additional \$3,000.

**EFFECTIVE DATE: 01/01/2004**

**Attachments to this Notice**

Attachment 1 Agreement for Cash or Deferred Election Under Section 401(k)  
Attachment 2 Certification of Participant Contribution

POLICY

USAID/General Notice  
M/MPI  
02/17/2004

**SUBJECT:** ADS 637, U.S. Personal Services Contractors 401(k) Defined Contribution Pension Plan Certification Documents

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Point of Contact: Any questions concerning this Notice may be directed to David Bilker, M/FM, (202) 712-0269.

Notice 0246

File name	Notice Date	Effective Date	Editorial Revision Date	ADS CD No.	Remarks
iu6_0401_022004_nocd	02/17/2004	01/01/2004	N/A	N/A	This IU will be N/A when the next CD (35) is issued.

Iu6\_0401\_022204\_w022304.nocd

Attachment 1

**Agreement For Cash or Deferred Election Under Section 401(k)**

BY THE AGREEMENT, made between \_\_\_\_\_ **(the Employee)** and **U. S. Agency for International Development** (the Institution), the parties hereto agree as follows:

Effective with respect to amounts paid on or after \_\_\_\_\_, which date is subsequent to the execution of this Agreement, the Employee's salary will be reduced by the amount indicated below. At the same time, the Institution will forward the corresponding amount to the Employee's annuity contract(s) (or custodial accounts), which the Employee will allocate among the funding vehicles approved by the Institution.

This Agreement is legally binding for both the Institution and the Employee with respect to amounts earned while employment continues. However, either party may terminate or otherwise modify this Agreement as of the end of any month (or pay period, if applicable) by giving at least thirty days written notice so that this Agreement will not apply to salary subsequently paid.

The amount of the election<sup>1</sup> shall be \_\_\_\_\_% of gross annual salary or \$ per pay period, if applicable, which will produce a total contribution that does not exceed the limitations of IRC Section 415 or Section 402(g), whichever is lower.

The amount designated above will be contributed by the Institution to the Employee's TIAA-CREF GSRA.

Signed this \_\_\_\_ day of \_\_\_\_\_, 20

Employee

(Employing Institution)

By

(Name)

(Title)

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<sup>1</sup>This amount should be reviewed with the Business Office (either HQ or Controller) before the execution of this Election. (which for 2004 is \$13,000 plus an additional \$3,000 for those persons who are age 50 and over).

Attachment 2

## **Certification of Participant Contribution**

**Name of Participant**

**Social Security Number**

**Date of Hire**

**Annual Salary**

**Less: FICA**

**Less Medicare**

**Net Annual Salary Available for Funding**

**Contribution Amount    Annual Amount**

**Per Pay Period**

I certify that the amount which I will contribute to the Plan shall not exceed 25 percent of my annual salary or the IRS limit (which for 2004 is \$13,000 plus an additional \$3,000 for those persons who are age 50 and over).

**Participant Name**